

Power at your fingertips

Written by Cheryl Pearson-McNeil
Tuesday, 19 March 2013 13:58



Did you know that tens of thousands of new products are introduced to consumer markets around the world every year? It could be a new flavor of ice cream, a fancy new electronic gadget or the latest shade of red lipstick that not only moisturizes, but practically stays on for life. Then poof! You turn around and your new favorite isn't there anymore. That's because more than half of all new products will disappear from the shelf within the first three years of their debut, according to Nielsen insights. Whether you live in Asia, the Middle East, Africa, Europe, Latin America or here in the United States, we Internet-savvy consumers are a stubborn group. We like what we like. Our purchasing trends and habits worldwide are documented in the **Nielsen Global Survey of New Product Purchase Sentiment**, where the company surveyed more than 29,000 consumers with Internet access from 58 different countries about new product awareness.

Now, I am like a new product groupie! I see it and I head out to buy it like a junkie. The report shows that consumers are optimistic about trying new products, but there is bit of anxiety at the thought of switching brands. Half of the global respondents did report being willing to switch to a new brand, with 57% of respondents in the United States being the most enthusiastic if all the conditions are right. In addition to relevance, need and distinctiveness, the data shows that marketers need to consider the emotional factors that go into a consumer's decision to make a new purchase choice. Around the world, those emotional factors are universal: value, variety, proof-of-concept and familiarity. Here's a look at the percent of consumers around the globe that definitely/somewhat agree to the general purchase of new products:

Power at your fingertips

Written by Cheryl Pearson-McNeil
Tuesday, 19 March 2013 13:58

- Will purchase a store brand or value option 64%
- Like when manufacturers offer new product options 63%
- Wait until a new innovation has proven itself 60%
- Prefer to buy new products of familiar brands 60%
- Like to tell others about new products 59%
- Generally willing to switch to a new brand 50%
- Economic conditions lessen possibility of trying new products 45%
- Prefer local brands over global brands 40%
- Willing to pay a premium price 39%

Just as consumers across the globe have multiple choices in how we enjoy media content, we also have a multi-mix of media from which to choose when considering purchasing a new product. Nielsen's global survey shows that the Internet is a major influence in that mix. According to Nielsen, consumers are increasingly finding the Internet and mobile vehicles just as compelling as other more traditional advertising. Traditional advertising platforms include TV, radio, newspaper, billboards and direct mail. Globally, 77% of responders felt word-of-mouth referrals by friends and family is the biggest persuasion factor for purchasing products, followed by seeing a new product in a store at 72%, while 70% try free samples and 67% use active Internet searches.

U.S. respondents seem to be a bit more skeptical about Internet searching on new products, with 59% of us saying we were much more or somewhat more likely to purchase a new product after Internet research. Also in the U.S., 45% of the respondents used Internet communications for new products to research a brand or manufacturer's website, 30% researched through an article on a frequently visited website and 30% used Internet forums. Thirty percent of U.S. respondents, purchased a new product after learning about it via social media, and 29% turned to web ads while 27% used a video posted on a video-sharing website.

Seventy-three percent of U.S. consumers surveyed reported that the Internet is very/somewhat important when making a new product purchasing decision for electronics, 63% for appliances, 62% for cars/auto needs 59% and music. Those percentages are a little less robust than the percentages for other global respondents who weighed in on Internet importance in purchasing: electronics (81%), appliances (77%), books (70%) and music (69%).

African-Americans are also savvy Internet users and Black women; particularly indulge in a little retail therapy with just a click of a button. Black women are extensive users of e-commerce involving purchases of clothes, groceries, and health and beauty products online. Also, 18% of Black women have shown higher interest in downloading coupons, especially those in the 25-54 age range.

Overall, top purchases African-Americans have made online include:

- Airline tickets/reservations
- Hotel/motel reservations
- Any clothes/shoes/accessories
- Women's clothes/shoes/accessories
- Men's clothes/shoes/accessories

Power at your fingertips

Written by Cheryl Pearson-McNeil
Tuesday, 19 March 2013 13:58

Among the global consumers surveyed, those in Asia-Pacific, Latin America and the Middle East and Africa are most engaged in online decision-making. Globally, the Internet influence trend is impacting purchasing in consumer packaged categories, too: food and beverages (62%), personal hygiene (62%), personal health/over-the-counter medicines (61%), and hair care (60%).

As the Internet makes the world a much smaller place, a tighter consumer community, do you feel *international*? And, don't you feel empowered to know that you can make or break a new product with your fingertips? You and your choices matter. So, I'll say it again – use your power wisely.

Cheryl Pearson-McNeil is senior vice president of Public Affairs and Government Relations for Nielsen. For more information and studies go to www.nielsenwire.com